

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

the Claims Consolidation Auction, information provided to me by LBHI's employees or advisors, and my opinion based upon knowledge and experience as Treasurer.

**A. Selection of Sponsor**

5. Following entry of the Procedures Order, the Plan Administrator identified approximately 30 parties (collectively, the "Potential Sponsors") that the Plan Administrator believed may have been interested in serving as a Sponsor in the Claims Consolidation Auction. The Potential Sponsors included persons that held the largest number or amount of Allowed claims against LBHI, persons that purchased the largest number of claims against LBHI in the past, and persons that contacted the Plan Administrator to express interest in participating as a Sponsor.

6. On October 25, 2019, the Plan Administrator sent an email to all Potential Sponsors describing the Claims Consolidation Auction and the Procedures for participating as a Sponsor. Additionally, the Plan Administrator responded to inquiries from a number of Potential Sponsors regarding the Procedures and obligations of Prospective Sponsors.

7. By the Bid Deadline of November 8, 2019 at 12:00 pm (Prevailing Eastern Time), the Plan Administrator received at least three Sponsor Bids for each Eligible Class.

8. On November 8, 2019, the Plan Administrator selected as a Sponsor for each Eligible Class the Potential Sponsor that submitted the highest bid for such claims. Immediately following such selection, the Plan Administrator filed the *Notice of Sponsor Selection in the Claims Consolidation Auction* (ECF No. 60130) ("Notice of Sponsor Selection").

9. The following chart summarizes the Sponsor Bids received for each Eligible Class:

<b>Eligible Class</b>	<b>Number of Sponsor Bids</b>	<b>Range of Rates in Sponsor Bids</b>	<b>Minimum Rate</b>	<b>Winning Rate</b>	<b>Selected Sponsor</b>
LBHI Class 3	5	1.150% to 1.298%	0.849%	1.2980%	BKM Holdings (Cayman) Ltd.
LBHI Class 4A	4	1.025% to 1.130%	0.753%	1.1300%	Seaport Loan Products LLC
LBHI Class 4B	3	0.950% to 1.055%	0.737%	1.0550%	BKM Holdings (Cayman) Ltd.
LBHI Class 5	4	0.832% to 0.900%	0.589%	0.9000%	Seaport Loan Products LLC
LBHI Class 7	5	1.067% to 1.174%	0.788%	1.1740%	Emery 68, L.L.C.
LBHI Class 8	3	0.942% to 1.069%	0.692%	1.0690%	BKM Holdings (Cayman) Ltd.
LBHI Class 9A	5	0.754% to 0.826%	0.554%	0.8260%	Emery 68, L.L.C.

10. Each of the selected Sponsors submitted its Sponsor Bid in a form consistent with the Sponsor Bid Form approved by the Court in the Procedures Order.

#### **B. Communications with Eligible Claimants**

11. Following entry of the Procedures Order, I directed the mailing of Solicitation Packages to Eligible Claimants. Since entry of the Procedures Order, the Plan Administrator, through the Election Agent, received approximately (a) 1,500 inbound inquiries from Eligible Claimants regarding the Claims Consolidation Auction, (b) approximately 135 phone calls to the Election Agent's Interactive Voice Response System, and (c) approximately 50 phone calls to the Election Agent's call center.

12. On October 2, 2019, the Plan Administrator directed the Election Agent to send an email to all Eligible Claimants for whom the Plan Administrator had a valid email address reminding such parties of the relevant deadlines, and a similar email was sent on October 8, 2019 to supplemental email addresses culled from the Election Agent's records for Eligible Claimants. For those Eligible Claimants that the Plan Administrator did not have an email address, the Plan Administrator directed the Election Agent to mail, on October 18, 2019, a cover letter and an additional copy of the Notice and the Election, Assignment, and Release.

13. The Plan Administrator directed the Election Agent to send additional reminder emails to Eligible Claimants for whom the Plan Administrator had a valid email address on October 22, 2019, October 31, 2019, November 4, 2019, and November 5, 2019.

14. On November 8, 2019, the Plan Administrator directed the Election Agent to send an email to Eligible Claimants for whom the Plan Administrator had a valid email address with the information provided in the Notice of Sponsor Selection.

15. I declare under penalty of perjury that the foregoing is true and correct.

Dated: November 11, 2019  
New York, New York

/s/ Anton Kolev  
Anton Kolev